

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

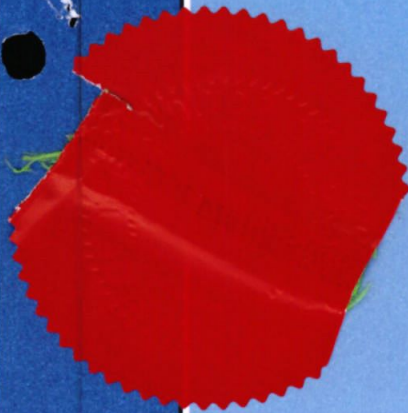
**RECEIVER OF REVENUE - REVENUE
STATEMENTS**

**FOR THE YEAR ENDED
30 JUNE, 2024**

COUNTY GOVERNMENT OF WAJIR

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**RECEIVER OF REVENUE
COUNTY GOVERNMENT OF WAJIR**

REVENUE STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024**

**Prepared in accordance with the Cash Basis of Accounting Method under the International
Public Sector Accounting Standards (IPSAS)**

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1. Acronyms and glossary of terms

a) Acronyms

CA	County Assembly
COB	Controller of Budget
CRF	County Revenue Fund
FY	Financial Year
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OSR	Own Source Revenue
PFMA	Public Finance Management Act
PSASB	Public Sector Accounting Standards Board
ROR	Receiver of Revenue

b) Glossary of terms

Comparative FY	Comparative Prior Financial Year
Fiduciary Management	The key management personnel who had financial responsibility

2. Key Entity Information and Management

Wajir County is constituted as per the constitution of Kenya and is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The governor is supported by the county executive committee in carrying out the mandate as stipulated in the constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CECM for Finance is financial reporting at the county level.

(a) Background information

The receiver of revenue is under the Department of Revenue Services. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance and Economic Planning, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

(b) Principal activities

The receiver of revenue collects revenue and remits to the County Revenue Fund (CRF).

(c) Key Management Team.

The County Government of Wajir day-to-day management of revenue is under the following:

No.	Designation	Name
1.	CEC member –Finance	Mohamed Hassan
2.	Chief Officer, Finance	Farah Ahmed Osman
3.	Director, Revenue	Abdirizak sheikh Abdullahi
4.	Head of Revenue Reporting	Jibril Omar Musa

(d) County Headquarters

P.O. Box 9-70200
County Government Headquarters
Airport Road
Wajir, Kenya

(e) Entity Contacts

E-mail: info@wajir.go.ke
Website: www.wajir.go.ke

(f) Independent Auditor

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P. O. Box 30084
GPO 00100
Nairobi, Kenya

(g) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambe Avenue
P.O Box 40112-00200
Nairobi, Kenya

(h) Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O Box 6000
Nairobi, Kenya
2. Kenya Commercial Bank, Wajir.
Mandera Road
P.O. Box 201-70200
Tel: +254-46421536/0711087000
Email: Contactcentre@kcb.co.ke
Wajir, Kenya

(i) County Attorney

County Government of Wajir
P.O. Box 9-70200
County Government Headquarters,
Wajir, Kenya

3. Foreword By the CECM Finance and Economic Planning

It's my pleasure to present the first Wajir County Receiver of Revenue Financial Statements for the financial year ended 30th June, 2024 in compliance with the relevant Public Finance Management regulations.

During the year under review, Wajir County budgeted to raise Kshs. 150,000,000. The County's revenue sources included Cess collections, Land/Poll Rates, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development.

The County encountered numerous challenges such as recurring droughts that affected livestock and farm production, insecurity threats from terror militants that made some targeted revenue collection spots inaccessible, border closure between Kenya and Somalia that limited movement of goods and trading activities in the region amongst other limiting factors. These challenges hindered revenue collection efforts by weakening the county's' economic conditions and the citizen's ability to pay levies.

Accordingly, the total revenue collected was Kshs. 147,984,496 against a collection of Kshs. 46,563,994 attained in the financial year 2022/2023. Kshs. 152,684,495, which includes Kshs. 147,680,000 and Kshs. 5,004,495 from current year amounts collected and the balance brought forward from previous years, was disbursed to the Wajir County Revenue Fund account to be utilized in the implementation of planned programs.

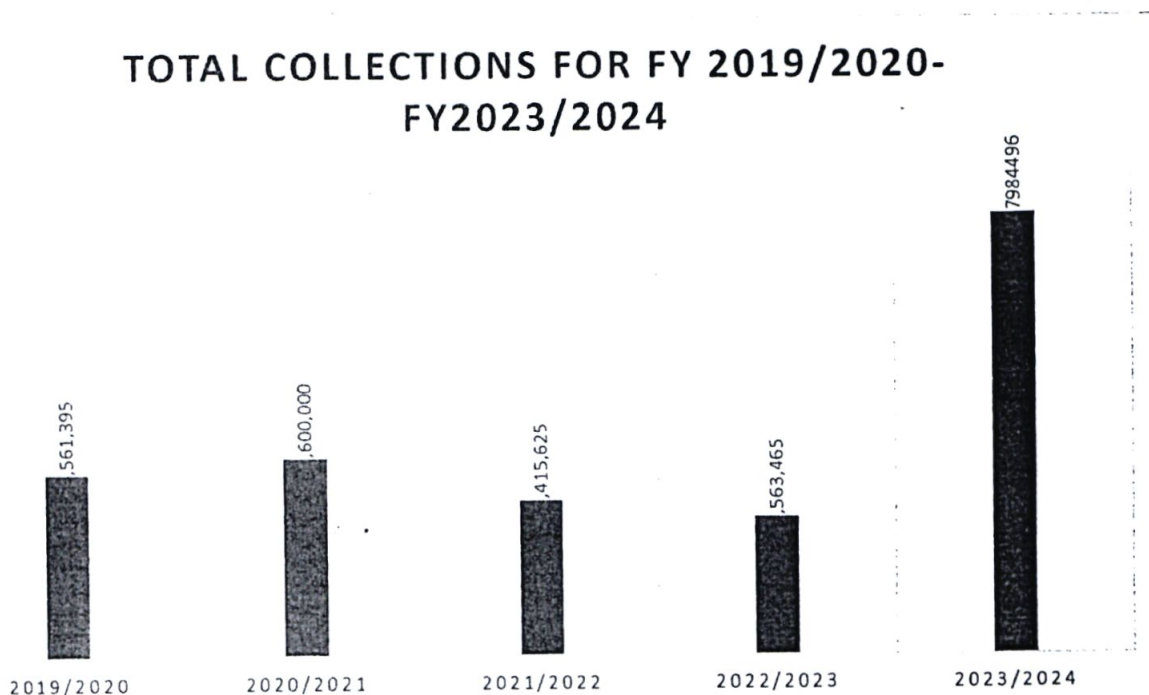
To enforce more revenue collections in the financial year 2024/2025 and subsequent financial periods appropriate mechanisms will be put in place by the receiver of revenue.



**CECM Finance and Economic Planning
County Government of Wajir**

4. Management Discussion and Analysis

The CROR's financial performance for the year 2023/2024 remained strong despite encountering numerous challenges such as recurring droughts in the County, frequent border closures between the three countries of Kenya, Somalia and Ethiopia; insecurity threats from terror militants, the adverse impact of the coronavirus and locust reinvasion and related challenges that threatened to obstruct the CROR's performance.



During the 2023/2024 financial year, the main local revenue sources covered Cess collections, Land/Poll Rates, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development. The total revenue realized was Kshs. 147,984,496.00 against the budgeted amount of Kshs. 150,000,000. The revenues were disbursed to the Wajir County Revenue Fund Account as required by the Public Finance Management laws and utilized to undertake planned government Programs.

5. Statement of Receiver of Revenue's responsibilities

Section 158 (3) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year.

The Receiver of Revenue is responsible for the preparation and presentation of the receiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the period ended on 30th June 2024.

This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity,
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) Safeguarding the assets of the entity,
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the entity's receiver of revenue accounts, which have been prepared on the Accrual Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the entity's receiver of revenue account gives a true and fair view of the state of the entity's receiver of revenue transactions during the financial year ended 30th June 2024, and of the entity's statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the Receiver of Revenue account as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

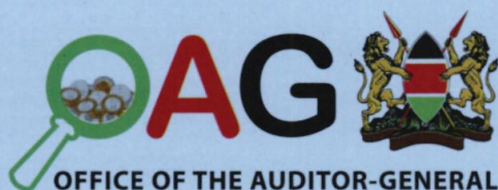
The revenue statements were approved and signed by the Receiver of Revenue on 2024



**Name: Mohamed Hussein Hassan
County Receiver of Revenue**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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Website: www.oagkenya.go.ke



Enhancing Accountability

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2024 - COUNTY GOVERNMENT OF WAJIR

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying revenue statements of the Receiver of Revenue - Revenue Statements County Government of Wajir set out on pages 1 to 13,

Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2024 - County Government of Wajir

which comprise of the statement of financial assets and liabilities and the statement of areas of revenue as at 30 June, 2024 and the statement of receipts and disbursements for the year then ended, the statement of comparison of budget and actual amounts and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue – County Government of Wajir as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unreconciled Variance in Revenue Transferred to County Revenue Fund

The statement of receipts and disbursements reflects disbursement to County Revenue Fund of Kshs.152,684,495. However, the County Revenue Fund statement of receipts and payments reflects receipt from Receiver of Revenue (own source revenue) of Kshs.147,680,000 resulting in unreconciled variance of Kshs.5,004,495.

In the circumstances, the accuracy of disbursement to County Revenue Fund of Kshs.152,684,495 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government of Wajir Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness

of Internal Controls, Risk Management and Governance which have remained unresolved as at 30 June 2024.

Other Information

The Management is responsible for the Other Information set out on page iii to vii which comprise of Key Entity Information and Management, Foreword by the County Executive Committee Member for Finance and Economic Planning, Management Discussion and Analysis and the Statement of Receiver of Revenue's Responsibilities. The Other Information does not include the revenue statements and my audit report thereon.

In connection with my audit on the Receiver of Revenue - County Government of Wajir revenue statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the revenue statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

The audit was conducted in accordance with ISSAIs 3000 and 4000. The Standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed except for the matter described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Weaknesses in Revenue Collection System

Review of revenue records revealed that revenue collection, recording and accounting were not automated but instead were done manually. In addition, single business permit, house, land registers containing databases used for assessing, planning and budgeting for the revenue to be collected from the three (3) streams were not maintained. Regulation 63(1)(a) of the Public Finance Management (County Government) Regulations, 2015, provides that an accounting officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting of all County Government Revenue and other public money relating to their county departments or agencies.

In the circumstances, the controls over revenue collection system are weak.

The audit was conducted in accordance with ISSAIs 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

The Management is responsible for the preparation and fair presentation of these revenue statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of revenue statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the revenue statements, Management is responsible for assessing the Receiver of Revenue's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to cease operations.

The Management is also responsible for the submission of the revenue statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the revenue statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Receiver of Revenue's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in

relation to governance and risk management and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the revenue statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the revenue statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 December, 2024


Receiver of Revenue
County Government of Wajir
Revenue Statements for the Period Ended 30th June 2024


7. Statement of Receipts and Disbursements for the year ended 30th June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
County Own Source Revenue			
Cess	1	4,506,530	21,884,780
Land Rate	2	4,257,394	1,620,184
Single/Business Permits	3	11,474,590	8,412,900
Property Rent	4	3,048,425	1,837,390
Market Fees	5	223,600	56,800
Hospital Fees	6	77,369,167	10,154,940
Public Health Service Fees	7	2,640,530	843,300
Physical Planning and Development	8	1,164,924	137,600
Hire Of County Assets	9	1,872,242	39,000
Conservancy Administration	10	372,050	1,577,100
Miscellaneous receipts	11	3,955,044	-
Total County Own Source Revenue		147,984,496	46,563,994
Other Receipts			
Donations/Grants Not Received Through CRF		-	-
Total Other Receipts		147,984,496	46,563,994
Total Receipts		147,984,496	46,563,994
Balance b/f at the beginning of the year		5,010,996	14,245,125
Disbursements To CRF		(152,684,495)	55,785,107
Bank charges	12	(35,785)	(13,016)
Balance Due for Disbursement		275,212	5,010,996

Note: Kshs. 152,684,495, includes Kshs. 147,680,000 and Kshs. 5,004,495 from current year amounts collected and the balance brought forward from previous years, was disbursed to the Wajir County Revenue Fund account to be utilized in the implementation of planned programs.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2024 and signed by:


Name: Mohamed Hassan Hussein
County Receiver of Revenue


Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

Receiver of Revenue
 County Government of Wajir
 Revenue Statements for the Period Ended 30th June 2024

8. Statement of Financial Assets and Liabilities as at 30th June 2024

	Note	2023-2024 KShs	2022-2023 KShs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	13	275,212	5,010,996
Cash In Hand	14	-	-
Total Financial Assets		275,212	5,010,996
Total Financial Assets		275,212	5,010,996
Financial Liabilities			
Payables-Due to CRF	15	275,212	5,010,996
Total Financial Liabilities		275,212	5,010,996

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2024 and signed by:



Name: Mohamed Hassan Hussein
 County Receiver of Revenue



Name: Jibril Omar Musa
 Head of Revenue Reporting
 ICPAK M/No: 15104

Receiver of Revenue
County Government of Wajir
Revenue Statements for the Period Ended 30th June 2024

9. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2024

Receipts	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% of Realization
	A	B	C=(A+B)	D	E=(C-D)	F=D/C*100
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						99%
Cess	50,169,978	12,542,494	37,627,483	37,121,700	505,783	99%
Land Rate	5,753,868	1,438,467	4,315,401	4,257,394	58,007	99%
Single/Business Permits	15,507,908	3,876,977	11,630,931	11,474,590	156,341	99%
Slaughter Fees	2,578,027	644,507	1,933,520	1,907,530	25,990	99%
Conservancy	502,826	125,706	377,119	372,050	5,069	99%
Market Fees	302,195	75,549	226,647	223,600	3,047	99%
Hospital Fees	75,688,983	18,922,246	56,766,737	56,003,687	763,050	99%
Survey Fees	1,574,395	393,599	1,180,796	1,164,924	15,872	99%
Building Materials	6,061,248	1,515,312	4,545,936	4,484,830	61,106	99%
Hire Of County Assets	2,530,335	632,584	1,897,751	1,872,242	25,509	99%
Veterinary Department Inspection	149,881	37,470	112,411	110,900	1,511	99%
House Rent	4,119,947	1,029,987	3,089,960	3,048,425	41,535	99%
Cost Sharing	28,875,446	7,218,862	21,656,585	21,365,480	291,105	99%
Public Health Service Fees	840,768	210,192	630,576	622,100	8,476	99%
Miscellaneous Revenues	5,344,195	1,336,049	4,008,147	3,955,044	53,103	99%
Total County Own Source Revenue	200,000,000	50,000,000	150,000,000	147,984,496	2,015,504	99%

The County Receiver of revenue's financial statements were approved on _____ 2024 and signed by:



Name: Mohamed Hassan Hussein
County Receiver of Revenue



Name: Jibril Omar Musa
Head of Revenue Reporting

Receiver of Revenue
 County Government of Wajir
 Revenue Statements for the Period Ended 30th June 2024

ICPAK M/No: 15104

10. Statement of Arrears of Revenue as at 30th June 2024

Classification Of Receipts	Balance as at The beginning of the current year (1 st July 2024) A	Arrears received during the year. B	Additions in arrears for the current year to June 30, 2024 C	Total arrears as at 30 June 2024 D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Land rate	-	-	1,496,474	1,496,474	Issuance of demand letters, direct follow-ups	Moderate to High – Property owners typically settle arrears after reminders
Single business permits	-	-	4,033,318	4,033,318	Renewal notices, enforcement through license suspension, follow-up visits	Moderate – Small businesses often comply to maintain permit validity
House rent	-	-	1,071,522	1,071,522	Monthly tenant reminders, issuance of	Moderate – Some tenants face payment difficulties;

*Receiver of Revenue
County Government of Wajir
Revenue Statements for the Period Ended 30th June 2024*

					default notices, instalment payment options	partial recovery expected
Total Arrears	-	-	6,601,314	6,601,314		



Name: Mohamed Hassan Hussein
County Receiver of Revenue



Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

11. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these revenue statements are set out below:

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared on the cash basis following the standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *entity*.

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government of Wajir. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Wajir County Receiver of Revenue. The accounting policies adopted have been consistently applied to all the years presented.

The revenue statements have been prepared on the cash basis following the standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the Revenue Department.

2. Recognition of Receipts

The Wajir County Receiver of Revenue recognises all receipts from the various sources when the related cash has been received by the entity.

3. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 29th June 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There were two number of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include revenue collection accounts held at Commercial banks.

5. Revenue in Arrears

This relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b) which is a memorandum statement.

6. Disbursements to CRF

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year.

7. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

8. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2024.

Receiver of Revenue
 County Government of Wajir
 Revenue Statements for the Period Ended 30th June 2024

12. Notes to the Financial Statements

1. Cess

Description	2023-2024 Kshs	2022-2023 Kshs
Stock Auction	6,754,310	5,374,840
Stock Export	1,344,950	1,396,500
Miraa Cess	27,532,300	12,527,500
Arabic Gum	76,820	63,340
Cereal cess	1,329,320	800,300
Charcoal Cess	84,000	-
Building Materials	4,138,280	1,694,200
Scrap Metals	160,550	28,100
Water	186,000	-
Total	41,606,530	21,884,780

2. Land rates

Description	2023-2024 Kshs	2022-2023 Kshs
Land rates	4,257,394	1,675,384
Land penalties and interest	-	-
Arrears	-	-
Total	4,257,394	1,675,384

3. Single /Business Permits

Description	2023-2024 Kshs	2022-2023 Kshs
Business permit application fees	11,217,940	8,280,500
Annual Business permit fees	256,650	132,400
Business permit penalties and interest	-	-
Business permit fees arrears	-	-
Total	11,474,590	8,412,900

4. Property Rent

Description	2023-2024 Kshs	2022-2023 Kshs
County Housing	3,048,425	1,837,390
Total	3,048,425	1,837,390

5. Market Fees

Description	2023-2024 Kshs	2022-2023 Kshs
Market entry fees	223,600	56,800
Total	223,600	56,800

6. Hospital Fees

Description	2023-2024 Kshs	2022-2023 Kshs
Level 4 hospitals	56,003,687	617,840
Cost sharing	21,365,480	9,537,100
Total	77,369,167	10,154,940

7. Public Health Service Fees

Description	2023-2024 Kshs	2022-2023 Kshs
Slaughter Fees	1,907,530	718,400
Public health permit	622,100	-
Veterinary-Meat inspection	110,900	124,900
Total	2,640,530	843,300

8. Physical Planning and Development

Description	2023-2024 Kshs	2022-2023 Kshs
Survey fees	1,111,924	137,600
Pegging Fees/Site visit	53,000	-
Total	1,164,924	137,600

9. Hire Of County Assets

	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	1,872,242	39,000
Total	1,872,242	39,000

10. Conservancy Administration

Description	2023-2024 Kshs	2022-2023 Kshs
Refuse disposal fees	167,450	1,315,100
Dumpsite fees	-	262,000
Sewerage fees (Exhauster Service)	204,600	-
Total	372,050	1,577,100

11. Miscellaneous Receipts

Description	2023-2024 Kshs	2022-2023 Kshs
Commissions	3,955,044	-
Total	3,955,044	-

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12. Bank Charges

Description	2023-2024 Kshs	2022-2023 Kshs
Bank Charges & commissions	35,785	13,016
Total	35,785	13,016

13. Bank Balances

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	2023-2024 Kshs	2022-2023 Kshs
KCB,1140752820	N/A	N/A	275,212	5,010,996
Total	-	-	275,212	5,010,996

13(a) Balance carried forward as at 30th June 2024 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
Disbursement 1	5,004,495	6 July 2024
Disbursement 2	-	-
Total	5,004,495	-

14. Cash in hand

Description	2023-2024 Kshs	2022-2023 Kshs
Cash Balance (Location)	-	-
Mobile Money	-	-
Total	-	-

15. Payables- Due To CRF

Payables	2023-2024 Kshs	2022-2023 Kshs
Balance b/f at the beginning of the year	5,010,996	14,245,125
Amount collected during the year	147,984,496	46,563,994
Amounts disbursed to CRF during the year	(152,684,495)	(55,785,107)
Bank charges	(35,785)	(13,016)
Balance c/d at the end of the year	275,212	5,010,996

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16. Ageing Analysis of Revenue in Arrears

Description	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Land rent(plot rent)	4,033,318	-	-	-	4,033,318
Single/business permits	1,496,474	-	-	-	1,496,474
Property rent	1,071,522	-	-	-	1,071,522
Total	6,601,314	-	-	-	6,601,314

13. Appendices

Appendix 1: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.

Name of person / organisation benefitting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted
None	N/A	N/A	N/A	N/A

(PFM ACT section 165 subsection 4, 5)



Name: Mohamed Hassan Hussein
 County Receiver of Revenue
 Date:.....

Appendix 2: Progress on follow up of prior Year Auditor Recommendations.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1.	Collection of Revenue Without a Finance Act.	Finance act in place.	Not resolved.	31 st December 2024
2.	Delay in Transfer of Receipts to County Revenue Fund.	The County will comply with the requirement of the regulation.	Not resolved.	31st December 2024
3.	Lack of Quarterly Revenue statements.	The County will comply with the requirement.	Not resolved.	31st December 2024
Other Matter:				
1.	Under-collection of revenue.	Collections of revenue have improved in subsequent year.	Not resolved.	31st December 2024
2.	Unresolved prior year matters	Resolving prior year Audit issues is on-going	Not resolved.	31st December 2024
Report on Effectiveness of Internal Controls, Risk Management and Governance:				
1.	Anomalies in M-pesa Pay bill Collection Account.	Resolving the query is on-going.	Not resolved.	31st December 2024



Name: Mohamed Hassan Hussein
 County Receiver of Revenue
 Date:.....



Name: Jibril Omar Musa
 Head of Revenue Reporting
 ICPAK M/No: 15104